



March 16, 2004

Dear Friend of the Arts:

As you know, the City of Los Angeles is facing an extraordinary budget crisis this year. Due to losses in state funding and increases in mandatory expenditures, we are challenged with closing a \$300 million budget gap.

I strongly believe that the residents of Los Angeles expect its city government to provide basic services and to provide those services well. I have been meeting with constituents, neighborhood councils, civic organizations and councilmembers to develop a list of budget priorities for the city. Without exception, the people I've spoken to tell me that they expect the City of Los Angeles to provide public safety and street services as their top priorities. However, like you, I believe that the city can add to the civic life of Los Angeles by providing other quality of life services such as those provided by the Cultural Affairs Department. Unfortunately, we will have less money to provide these types of services next year.

Given that fact, I asked my budget team to analyze a number of options including ones that would maximize services provided to residents while minimizing administrative costs. No budget proposal had been finalized and won't be until April 20. In recent days, it has been made clear to me that the arts community feels strongly about maintaining a department solely dedicated to Cultural Affairs, even if that means a temporary reduction in services. Most of us believe that having a Cultural Affairs Department gives our city status and prestige in the arts community.

It has also been made clear to me that the city is not doing enough to promote and leverage its private cultural institutions, such as the Getty Museum, MOCA, LACMA, and our new Walt Disney Concert Hall. I believe the Cultural Affairs Department should emphasize the promotion of cultural tourism and advance Los Angeles as a destination in the arts world, as well as bring dance, music, theater and visual arts to all the diverse

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neighborhoods of this city. To that end, I've asked my friend and arts philanthropist, Eli Broad, to be the Honorary Chair of a new **Mayor's Council for the Arts**. I have also asked John Emerson, who is currently serving as the Chairman and Chief Executive Officer of the Music Center, to be the chairman of my Council. Together with representatives from the cultural institutions in our great city, they will help me forge a new direction for a Cultural Affairs Department that will continue to exist in the City of Los Angeles.

The Mayor's Council for the Arts and the Cultural Affairs Department will refocus its efforts on cultural tourism, which will help increase visitors to the city. More tourism will result in greater hotel tax revenue to the city, which will directly fund the Cultural Affairs Department and will help me in my goal to distribute more funds for neighborhood arts programs and community arts organizations.

I thank you for your passionate concern for the arts and for the City of Los Angeles. And I pledge to work with all of you to make the most efficient use of our limited funds, while maintaining a streamlined and refocused Cultural Affairs Department.

Very truly yours,

JAMES K. HAHN
Mayor

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